



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101

Hammond

DAVID E. JANSSEN
Chief Administrative Officer

Board of Supervisors

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First District

YVONNE BRATHWAITE BURKE
Second District

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Third District

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Fifth District

June 26, 2001

To: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: David E. Janssen
Chief Administrative Officer

PUBLIC LIBRARY'S \$2.51 MILLION CURTAILMENT PLAN

On June 25, 2001, your Board instructed this Office to report back to you regarding the Library's proposed \$2.51 million curtailment plan (Attachment I) for the fiscal year 2001-02 budget. The proposed curtailment plan is necessitated by the cost increases of providing health insurance coverage for qualified temporary employees (\$1.3 million), utilities (\$1.021 million), and a reduction in State Public Library Fund revenue (\$0.189 million), which the Library has indicated it is unable to finance within its available financing sources. Also attached is a memorandum from the Library providing additional information in response to inquiries from this Office (Attachment II).

The 2001-02 recommended budget has earmarked the Department's projected revenue growth to fund the Board-approved cost-of-living and employee benefit increases, retirement buy-down, insurance premiums, the 2000 California Library Bond Act planning effort, and partial utility cost increases (\$682,000). In addition, the budget has included funding reductions for one-time discretionary needs such as air conditioning refurbishment, furnishings, computer equipment and information technology (I/T) services to finance Library operations.

Each Supervisor
June 26, 2001
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At this time, we are not recommending the implementation of the curtailment plan as proposed by the Department on June 20, 2001. We have not had sufficient time to evaluate the curtailment plan to determine whether the proposed impact to Library services is warranted and whether other cost savings measures with no direct service impact (e.g. vacancies) have been fully considered. In addition, this Office will explore the possibilities of utilizing alternative funding sources to finance the Department's one-time needs in order to assist the Department in meeting its ongoing financial obligations. We are also waiting to receive actual health insurance enrollment data to better determine the amount of additional cost needed for this new requirement.

Therefore, we are requesting for a two-week extension to provide your Board with a more in-depth analysis on the Library's budget condition and its proposed curtailment plan.

DEJ:SRB
AY:bjs

Attachments

c: Executive Officer, Board of Supervisors
 County Counsel
 Public Library

County of Los Angeles Public Library
 7400 East Imperial Hwy., P.O. Box 7011, Downey, CA 90241-7011
 (562) 940-8461, TELEFAX (562) 803-3032



June 20, 2001

To: Each Supervisor

From: Margaret Donnellan Todd
 County Librarian

A handwritten signature in black ink, appearing to read "MST", written over the printed name "Margaret Donnellan Todd".

SUBJECT: LIBRARY SERVICE CURTAILMENT PLAN

As directed by the Chief Administrative Officer, this memorandum provides a \$2.51 million curtailment plan (Attachment I) for the Fiscal Year 2001-02 budget. This plan provides one alternative for financing the unavoidable cost increases and revenue reductions in my Department's budget that are not financed in the CAO's budget recommendations.

The purpose of this memorandum is also to urge that your Board not approve this curtailment and instead provide the necessary financing to the Public Library budget.

Background

The Public Library is financed primarily by property taxes, but is also dependent on an annual contribution from the General Fund to maintain the minimal service levels that the Department provides. While the Department has received modest growth in property taxes and other revenues, the General Fund contribution has not been increased to offset inflation or workload growth. Salaries and employee benefits (S&EB) and other unavoidable cost increases have consumed most of the Public Library's new revenues, and as a result, the Department has been unable to address the cost increases in books and materials, technology, and various public service programs. For example, in 1996-97 the Public Library purchased 693,687 new books, but only 491,326 in 1999-2000.

If the General Fund contribution included annual increases based on the growth in property taxes, which is the General Fund's primary financing source for this contribution, the annual contribution would be \$4.1 million higher, and between 1997-98 and 2001-02, the County Library would have had \$13.4 million more available cumulatively to address its most critical unmet needs.

Public Library Performance Measures

In an effort to fully demonstrate the Public Library's budget need, some performance measures are included in Attachments II through IV, including some comparisons to the city public library systems within the County.

Serving the unincorporated areas of Los Angeles County and the cities of: Agoura Hills ■ Artesia ■ Avalon ■ Baldwin Park ■ Bell ■ Bell Gardens ■ Bellflower ■ Bradbury ■ Carson ■ Claremont ■ Compton ■ Cudahy ■ Culver City ■ Diamond Bar ■ Duarte ■ El Monte ■ Gardena ■ Hawaiian Gardens ■ Hawthorne ■ Hermosa Beach ■ Hidden Hills ■ Huntington Park ■ La Canada Flintridge ■ La Habra Heights ■ Lakewood ■ La Mirada ■ Lancaster ■ La Puente ■ La Verne ■ Lawndale ■ Lomita ■ Lynwood ■ Malibu ■ Manhattan Beach ■ Maywood ■ Montebello ■ Norwalk ■ Paramount ■ Pico Rivera ■ Rosemead ■ San Dimas ■ San Fernando ■ San Gabriel ■ Santa Clarita ■ South El Monte ■ South Gate ■ Temple City ■ Walnut ■ West Covina ■ West Hollywood ■ Westlake Village

Attachment II provides the expenditures per capita of the County and city libraries for Fiscal Year 1998-99. The County's expenditure per capita rate of \$18.29 is 21.6 percent lower than the City of Los Angeles' rate of \$23.33, and 40.6 percent lower than the average rate of \$30.77 for all other cities within the County.

Attachment III provides several performance measures comparing the County and the City of Los Angeles' public library systems based on the 2001-02 budget. Attachment IV makes similar comparisons with city library systems within the County, taken as a whole, based on actual expenditures and workloads for fiscal year 1998-99. Based on this, the following observations can be made:

- The County expends far less on books and materials and all other operating costs than the cities overall, whether the comparison is based on the cost per capita or the cost per item circulated. The City of Los Angeles' Public Library system is roughly equivalent in size to the County system, and their books and materials budget was recently increased to \$16 million, compared to the County's budget of only \$6.6 million.
- The average salary per full-time equivalent position in the County Public Library is 24.9 percent lower than the average salary in the City of Los Angeles Library, and is 23.8 percent lower than the average salary for all city public libraries within the County. Our preliminary conclusion is that the County pays lower salaries and wages and makes a greater use of part-time employees due to the funding challenges in the County Public Library.
- The circulation per capita, which is an important measure of the public's utilization of our libraries, demonstrates that the utilization of the County's libraries is higher than the utilization of the City of Los Angeles' libraries, but is lower than the utilization of city libraries within the County overall.

Conclusion

Overall, the Public Library's performance in maintaining service levels has been commendable given the budgetary challenges it faces. However, the Department has not fully recovered from the budget curtailments made in fiscal years 1992-93 and 1993-94, and significant problems exist in its ability to maintain services. Unless funding is restored to the Public Library's budget, significant reductions will occur to important services that the public needs and enjoys.

The Public Library is unable to absorb the CAO recommended curtailments in its books and materials budget, as this budget is already sorely inadequate; this budget should be increased to ensure a viable library program.

Each Supervisor
June 20, 2001
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I, THEREFORE, RECOMMEND:

That the General Fund contribution be increased by not less than \$2,510,000.

If you have any questions, please contact me or your staff may contact Michael Hanks at (562) 940-8447.

MDT:MH
Attachments

c: Board Liaisons
Chief Administrative Officer

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**COUNTY OF LOS ANGELES PUBLIC LIBRARY
FISCAL YEAR 2001-2002
CURTAILMENT PLAN**

Attachment I

SUPERVISORIAL DISTRICT	Actual Hours Cut	Total Curtailment
FIRST DISTRICT	71.0	\$515,520
SECOND DISTRICT	47.0	419,131
THIRD DISTRICT	17.0	77,201
FOURTH DISTRICT	62.0	612,622
FIFTH DISTRICT	63.0	741,577
Subtotal:	260.0	\$2,366,051
Services and Supplies		143,949
Total:	260.0	\$2,510,000

**COUNTY OF LOS ANGELES PUBLIC LIBRARY
FISCAL YEAR 2001-2002
CURTAILMENT PLAN**

Attachment I

Library/Office	Actual Hours Cut	Total Curtailment
604 Anthony Quinn	2.0	\$4,680
803 Baldwin Park	3.0	44,480
630 Bell	2.0	4,380
631 Bell Gardens	3.0	7,609
600 Central Region Office		46,868
616 Chet Hollifield	2.0	3,688
610 City Terrace	2.0	5,189
632 Cudahy	2.0	4,180
605 East Los Angeles	3.0	33,758
605 East Los Angeles - Sunday Service	4.0	40,991
609 El Camino Real	2.0	4,205
830 El Monte	3.0	7,771
830 El Monte - Sunday Service	4.0	31,589
534 Graham	2.0	4,005
517 Hollydale	2.0	5,390
633 Huntington Park	3.0	16,431
806 La Puente	3.0	10,900
523 Leland Weaver	3.0	72,679
634 Los Nietos	2.0	4,697
635 Maywood Cesar Chavez	2.0	27,614
601 Montebello	4.0	83,036
832 Norwood	3.0	9,135
636 Pico Rivera	3.0	6,820
637 Rivera	2.0	3,362
624 Rosemead	3.0	15,080
638 Sorensen	2.0	3,638
833 South El Monte	2.0	4,697
810 Sunkist	3.0	8,647
TOTAL: First District	71.0	\$515,520

**COUNTY OF LOS ANGELES PUBLIC LIBRARY
FISCAL YEAR 2001-2002
CURTAILMENT PLAN**

Attachment I

Library/Office	Actual Hours Cut	Total Curtailment
530 A C Bilbrew	3.0	\$7,534
301 Carson	4.0	64,722
301 Carson - Sunday Service	4.0	31,069
531 Compton	3.0	9,223
330 Culver City	4.0	20,740
532 East Rancho Dominguez	2.0	3,087
533 Florence	2.0	4,330
313 Gardena Mayme Dear	3.0	57,092
331 Hawthorne	3.0	73,292
316 Lawndale	2.0	3,087
333 Lennox	2.0	6,866
519 Lynwood	3.0	7,809
320 Masao Satow	2.0	3,087
321 Victoria Park	2.0	3,087
336 View Park	2.0	66,217
300 West Region Office		46,868
535 Willowbrook	2.0	2,870
337 Wiseburn	2.0	3,087
338 Woodcrest	2.0	5,064
TOTAL: Second District	47.0	\$419,131

**COUNTY OF LOS ANGELES PUBLIC LIBRARY
FISCAL YEAR 2001-2002
CURTAILMENT PLAN**

Attachment I

Library/Office	Actual Hours Cut	Total Curtailment
116 Las Virgenes	3.0	\$13,090
123 LasV Mobile	2.0	1,085
117 Malibu	3.0	39,424
107 San Fernando	3.0	9,010
335 West Hollywood	3.0	7,634
118 Westlake Village	3.0	6,958
TOTAL: Third District	17.0	\$77,201

**COUNTY OF LOS ANGELES PUBLIC LIBRARY
FISCAL YEAR 2001-2002
CURTAILMENT PLAN**

Attachment I

Library/Office	Actual Hours Cut	Total Curtailment
516 Alondra	2.0	\$3,854
509 Angelo M. Iacoboni	4.0	67,942
509 Angelo M. Iacoboni - Sunday Service	4.0	44,311
503 Artesia	2.0	3,980
322 Avalon	2.0	2,762
505 Clifton Brakensiek	3.0	42,002
816 Diamond Bar	3.0	35,736
515 George Nye, Jr.	2.0	4,939
815 Hacienda Heights	3.0	11,401
815 Hacienda Heights - Sunday Service	4.0	33,669
507 Hawaiian Gardens	2.0	3,955
314 Hermosa Beach	3.0	7,634
508 La Mirada	3.0	42,916
334 Lloyd Taber-Marina del Rey	3.0	10,249
317 Lomita	3.0	7,634
318 Manhattan Beach	3.0	9,949
501 Norwalk	4.0	123,595
511 Paramount	3.0	8,735
817 Rowland Heights	3.0	35,573
817 Rowland Heights - Sunday Service	4.0	37,189
500 South Region Office		46,868
514 South Whittier	2.0	27,731
TOTAL: Fourth District	62.0	\$612,622

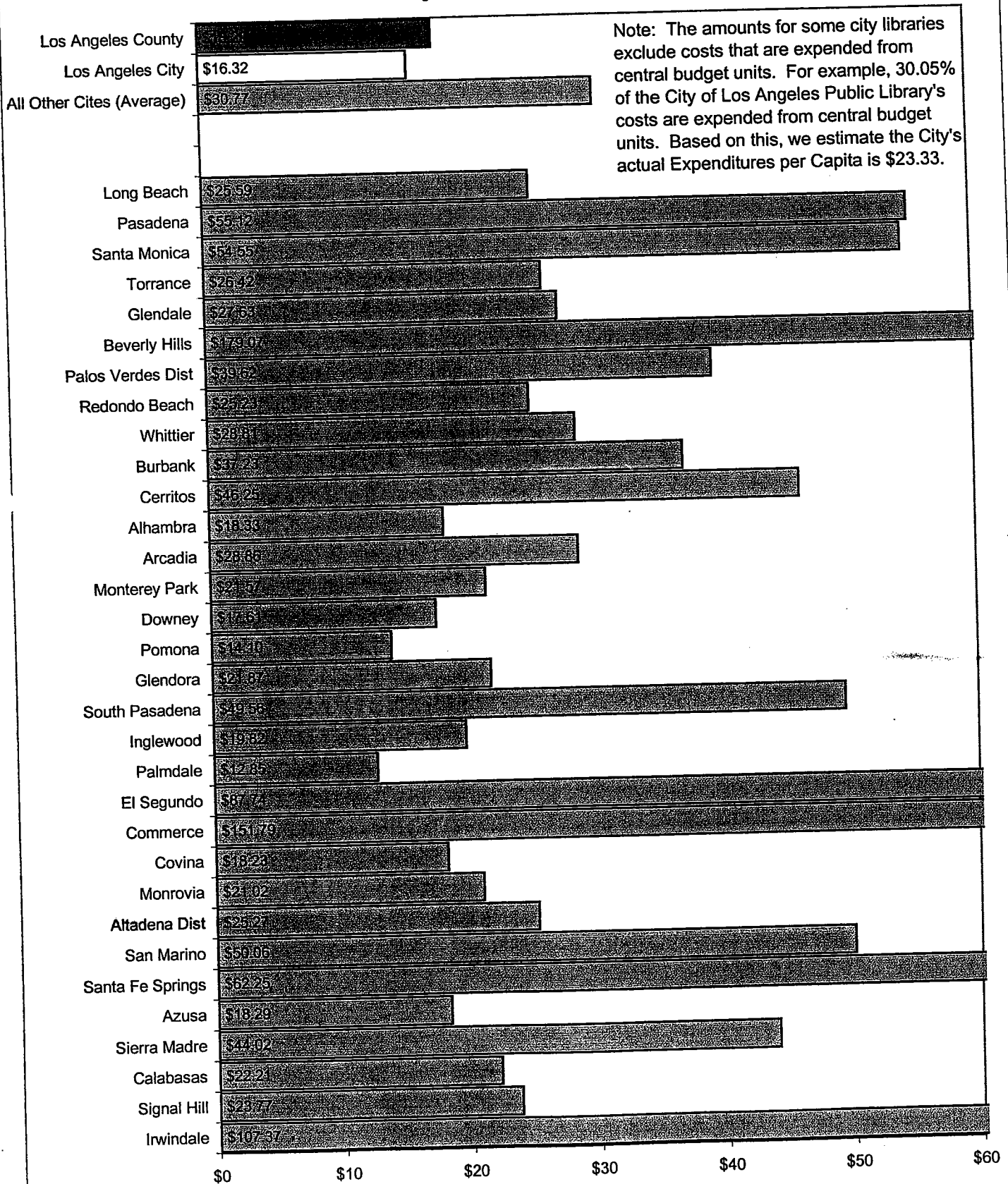
**COUNTY OF LOS ANGELES PUBLIC LIBRARY
FISCAL YEAR 2001-2002
CURTAILMENT PLAN**

Attachment I

Library/Office	Actual Hours Cut	Total Curtailment
121 AV Mobile	2.0	\$1,085
112 Canyon Country	3.0	7,847
812 Charter Oak	2.0	4,655
804 Claremont	3.0	60,471
804 Claremont - Sunday Service	0.0	0
805 Duarte	3.0	7,008
800 East Regional Office		46,868
114 La Canada Flintridge	3.0	42,378
115 La Crescenta	3.0	6,270
807 La Verne	3.0	9,348
106 Lake Los Angeles	2.0	3,838
101 Lancaster	4.0	82,392
101 Lancaster - Sunday Service	0.0	0
103 Littlerock	2.0	5,089
831 Live Oak	2.0	4,238
104 Newhall	3.0	36,921
108 North Region Office		46,868
110 Quartz Hill	2.0	5,356
808 San Dimas	3.0	37,037
625 San Gabriel	3.0	9,636
122 SCV Mobile	2.0	1,085
628 Temple City	3.0	14,179
113 Valencia	4.0	94,099
113 Valencia - Sunday Service	4.0	52,391
809 Walnut	3.0	9,261
801 West Covina	4.0	153,258
TOTAL Fifth District	63.0	\$741,577

Public Libraries in Los Angeles County

1998-99 Expenditures per Capita



COMPARISON OF MAJOR BUDGET AND PERFORMANCE MEASURES
COUNTY OF LOS ANGELES PUBLIC LIBRARY 2001-02 PROPOSED BUDGET
VS.
CITY OF LOS ANGELES PUBLIC LIBRARY 2001-02 ADOPTED BUDGET

Indicator	County of Los Angeles	City of Los Angeles
Population Served	3,607,611	3,781,500
Number of Facilities	84 Branch Libraries 4 Bookmobiles	1 Central Library 67 Branch Libraries 4 Bookmobiles
Library Square Footage	1,139,697 Square Feet	1,044,099 Square Feet
Full Time Equivalent (FTE) Budgeted Positions	1,285	1,101
Number of Volumes	7,772,102	6,066,546
Total Circulation	15,071,230	12,986,003
Circulation per Capita	4.18	3.43
Salaries and Employee Benefits Budget(S&EB)	\$47,468,000 [1]	\$54,150,000 [2]
S&EB Budget per FTE	\$36,940	\$49,182
Books and Materials Budget	\$6,619,500	\$16,003,561 [3]
Books and Materials Budget per Capita	\$1.83	\$4.23
Books and Materials Budget per Items Circulated	\$0.44	\$1.23
Total Budget	\$76,626,000	\$93,048,847
Budget per Capita	\$21.24	\$24.61
Budget per Item Circulated	\$5.08	\$7.17

[1] Reflects total salaries before the curtailment recommended by the Chief Administrative Officer.

[2] Reflects salaries of \$43,771,000 and an allocation of centrally budgeted employee benefits of \$10,379,000.

[3] The City's Books and Materials Budget includes a \$5 million increase in 2001-02.

**COMPARISON OF MAJOR EXPENDITURE AND PERFORMANCE MEASURES
FOR FISCAL YEAR 1998-99 [1]**

**COUNTY OF LOS ANGELES PUBLIC LIBRARY
VS.
CITY PUBLIC LIBRARIES WITHIN LOS ANGELES COUNTY**

Indicator	County of Los Angeles	Cities Within the County
Population Served	3,456,000	6,300,715
Full Time Equivalent (FTE) Budgeted Positions	1,135	2,308
Number of Volumes	6,561,281	13,138,650
Children's Programs Attendance	510,229	1,177,998
Children's Programs Attendance per Capita	0.148	0.190
Total Circulation	14,905,486	28,940,953
Circulation per Capita	4.31	4.59
Salaries and Employee Benefits (S&EB) Cost	\$38,179,486	\$101,824,673 [2]
S&EB Cost per FTE	\$33,638	\$44,118 [2]
Books and Materials Cost	\$7,092,693	\$17,592,345
Books and Materials Cost per Capita	\$2.05	\$2.79
Books and Materials Cost per Items Circulated	\$0.48	\$0.61
Total Operating Costs	\$63,216,190	\$140,555,666 [2]
Operating Costs per Capita	\$18.29	\$22.31 [2]
Operating Costs per Item Circulated	\$4.24	\$4.86 [2]

[1] Source: "California Library Statistics 2000", which reflects actual expenditures and workload statistics for fiscal year 1998-99.

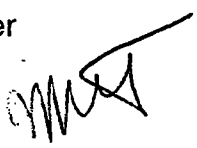
[2] Actual city costs are higher because many cities budget and expend some of their costs from central budget units, and as a result, do not report these amounts to the State.

County of Los Angeles Public Library
 7400 East Imperial Hwy., P.O. Box 7011, Downey, CA 90241-7011
 (562) 940-8461, TELEFAX (562) 803-3032

Library

June 25, 2001

To: David E. Janssen
 Chief Administrative Officer

From: Margaret Donnellan Todd 
 County Librarian

2001-02 BUDGET DELIBERATIONS -- PUBLIC LIBRARY BUDGET

The purpose of this memorandum is to provide additional information to assist you with the report requested by the Board today and to respond to some of your specific questions.

Curtailment in Regional Offices

The curtailment plan includes reductions of Library Assistants in each Regional Office. These positions provide administrative and other support to the libraries and do not directly affect hours of operations at the community libraries.

Cost of Delayed Curtailment

If the Board chooses to delay any action until mid-September, we are estimating that layoffs would occur on October 15, 2001, allowing four weeks to comply with the memorandums of understanding with the unions and address their concerns about the demotion/cascading process.

- If the Board financed 3.5 months of services, the amount of financing required would be \$732,000. (i.e., \$2,510,000 X 3.5 months /12 months)
- If the Board did not provide 3.5 months of financing, a delayed implementation would require an annualized curtailment of \$3,544,000. This reflects an increase of \$1,034,000 due to the delay. (i.e., \$2,510,000 X 3.5 months /(12 months - 3.5 months)

Serving the unincorporated areas of Los Angeles County and the cities of: Agoura Hills ▪ Artesia ▪ Avalon ▪ Baldwin Park ▪ Bell ▪ Bell Gardens ▪ Bellflower ▪ Bradbury ▪ Carson ▪ Claremont ▪ Compton ▪ Cudahy ▪ Culver City ▪ Diamond Bar ▪ Duarte ▪ El Monte ▪ Gardena ▪ Hawaiian Gardens ▪ Hawthorne ▪ Hermosa Beach ▪ Hidden Hills ▪ Huntington Park ▪ La Canada Flintridge ▪ La Habra Heights ▪ Lakewood ▪ La Mirada ▪ Lancaster ▪ La Puente ▪ La Verne ▪ Lawndale ▪ Lomita ▪ Lynwood ▪ Malibu ▪ Manhattan Beach ▪ Maywood ▪ Montebello ▪ Norwalk ▪ Paramount ▪ Pico Rivera ▪ Rosemead ▪ San Dimas ▪ San Fernando ▪ San Gabriel ▪ Santa Clarita ▪ South El Monte ▪ South Gate ▪ Temple City ▪ Walnut ▪ West Covina ▪ West Hollywood ▪ Westlake Village

David E. Janssen
June 25, 2001
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Sunday Services

The curtailment eliminates Sunday services except in Claremont and Lancaster. These costs are financed by other revenues (i.e., the cities).

Positions Affected

The 72.3 full-time equivalent positions affected are included in the attachment.

If you have any question, please let me know, or your staff may contact my Fiscal Officer, Michael Hanks, at 562-940-8447.

MDT:MH

Attachment

c: Each Supervisor

U:FISCOM/DEL0102B.WPD

**PUBLIC LIBRARY
REQUESTED BUDGET INFORMATION**

	FINANCED IN PROPOSED <u>BUDGET</u>	NOT FINANCED IN PROPOSED <u>BUDGET</u>	<u>TOTAL</u>
<u>SALARIES AND EMPLOYEE BENEFITS</u>			
Negotiated Salary and Employee Benefit Increases	2,237,000		2,237,000
Retirement Debt Service (Increased Cost)	72,000		72,000
LACERA Buy-Down (Increased Cost)	285,000		285,000
Temporary Employee Health (New Cost)		1,300,000	1,300,000
Subtotal	2,594,000	1,300,000	3,894,000
<u>SERVICES AND SUPPLIES</u>			
Insurance (Increased Cost)	172,000		172,000
Utility (Increased Cost)	901,000	1,021,000	1,922,000
Subtotal	1,073,000	1,021,000	2,094,000
Reduced State Public Library Funds		189,000	189,000
Total New or Increased Costs	3,667,000	2,510,000	6,177,000